



2 Stocks at 52-Week Lows: Should You Buy in April?

Description

The **S&P/TSX Composite Index** shot up 125 points on April 1. This was a great start to April after activity slowed in the month of March. The TSX has climbed 13.3% in 2019 so far.

Today we are going to look at two stocks that have hit 52-week lows over the past week. The broader market has been in an uptrend, which has made it more difficult for investors on the hunt for discounts. Are these stocks [buy-low opportunities](#)? Or, is the poor performance warranted and are the equities to be avoided? Let's dive in.

MAV Beauty Brands ([TSX:MAV](#))

MAV Beauty Brands is an Ontario-based personal care company. The stock dropped 8.86% on April 1. Shares have plunged 32.5% in 2019 so far. MAV stock hit a 52-week low of \$7.10 during trading on April 1 before closing out the day at \$7.20 per share.

The company released its fourth-quarter and full-year results for 2018. Revenue climbed 42% year-over-year to \$29 million in Q4 2018, but adjusted net income dropped 22.5% from the prior year. This was in part due to gross margins being hit by a markdown expense from a holiday promotional program.

Still, MAV posted solid growth in its core brands for the full year and managed to rise into the top 10 hair care manufacturers in the United States.

For 2019, MAV is forecasting revenue in the range of \$115 million to \$120 million. It also projects adjusted EBITDA between \$34 million and \$37 million. MAV stock last had an RSI of 30, which puts it just outside of oversold territory as of close on April 1. The overreaction to MAV's dip in adjusted profit should make you consider adding it at a discounted price today.

CES Energy Solutions ([TSX:CEU](#))

CES Energy is a Calgary-based company that provides consumable chemical solutions throughout the lifecycle of the oilfield. The stock jumped 5.86% on April 1. Shares hit a 52-week low of \$2.73 in the final trading day of March. Energy stocks were largely behind the surge on April 1, but the sector has been [volatile](#) over the past several months.

The company released its fourth-quarter and full-year results for 2018 on March 12. Total revenue rose to \$347 million in Q4 2018 compared to \$278 million in the prior year. For the full year, total revenue increased to \$1.27 billion compared to \$1.02 billion in 2017. The company achieved solid growth in its Canadian and US sectors.

CES Energy stock dipped after its gross margin came in at 23%, which missed analysts' expectations. Its full-year 2018 margin came in at 26%, which represented a 2% dip from the prior year. Still, CES Energy has largely completed its infrastructure build-out and forecasts cash flow that will support its dividend and fund its share repurchase program going forward.

Broader issues in the Canadian oil patch can weigh on stocks like CES Energy, but it is a suitable target in early April. The stock last had an RSI of 44, which puts it out of oversold territory after a hot start to the month. It is still worth picking up, but is not as attractive as MAV today.

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